



**THOMAS L. GARTHWAITE, M.D.**  
Director and Chief Medical Officer

**FRED LEAF**  
Chief Operating Officer

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
313 N. Figueroa, Los Angeles, CA 90012  
(213) 240-8101

BOARD OF SUPERVISORS

**Gloria Molina**  
First District

**Yvonne Brathwaite Burke**  
Second District

**Zev Yaroslavsky**  
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Fourth District

**Michael D. Antonovich**  
Fifth District

January 27, 2005

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 3 TO TWO DIETARY SERVICES AGREEMENTS -  
NO. 70294 AT MARTIN LUTHER KING, JR./DREW MEDICAL CENTER AND NO. 70295  
AT HARBOR-UCLA MEDICAL CENTER WITH MORRISON HEALTH CARE, INC.**  
(2nd District) (3 votes)

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Chair to sign the attached Amendment No. 3 to Agreement No. 70294 and Agreement No. 70295 with Morrison Health Care, Inc. for the provision of dietary services at Martin Luther King, Jr./Drew Medical Center for \$2,010,491 and Harbor-UCLA Medical Center for \$2,102,988, 100% net County cost, effective on a month-to-month basis for a maximum of six months from March 1, 2005 through August 31, 2005.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

Approval of the recommended action will continue the provision of dietary services at Martin Luther King, Jr./Drew Medical Center (King/Drew) and Harbor-UCLA Medical Center (H-UCLA) on a month-to-month basis for a period of six months, effective March 1, 2005 through August 31, 2005, while a Request for Proposals (RFP) process is completed.

The Department of Health Services (DHS) has been contracting out Dietary Services under provisions of County Code 2.121.250 et seq., "Contracting with Private Businesses" (Proposition A), since October 1984. Dietary services are an integral part of the legitimate activities which must be provided by a hospital to perform its health care functions.

FISCAL IMPACT/FINANCING:

The maximum County obligation of Amendment No. 3 for King/Drew is \$2,010,491 and for H-UCLA, \$2,102,988.

Funds are available to support the Amendments in the Fiscal Year 2004-05 Adopted Budget and will be requested as a continuing appropriation in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On September 3, 1996, the Board approved Agreement No. 70294 for dietary services at King/Drew and Agreement No. 70295 for dietary services at H-UCLA to be effective September 1, 1996 through August 31, 2003, with provisions for a six-month automatic renewal, through February 29, 2004.

Amendment No. 1 was approved on February 17, 2004, extending the term of the Agreement from March 1, 2004 through August 31, 2004. Amendment No. 1 added all required contract provisions including jury service program, safely surrendered baby law, child support compliance and the living wage program.

The most recent Amendment No. 2 extended the term from September 1, 2004 through February 28, 2005, allowing additional time to prepare the RFP which will include two other facilities in addition to King/Drew and H-UCLA, and also to add updated language for child support compliance and contractor responsibility and debarment.

Morrison is providing approximately 540,000 patients meals annually at King/Drew and approximately 624,000 patient meals annually at H-UCLA.

Contract monitoring functions will be performed by Administrative staff at each facility.

County Counsel has approved Amendment No. 3 as to form.

CONTRACTING PROCESS:

DHS is in the process of finalizing a competitive RFP solicitation for dietary services which includes multi-facilities, including King/Drew and H-UCLA, and expects that this RFP process will be completed prior to the expiration of Amendment No. 3.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Board approval will allow for the continued provision of dietary services at King/Drew and H-UCLA during the solicitation of new dietary services contracts.

The Honorable Board of Supervisors  
January 27, 2005  
Page 3

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas L. Garthwaite". The signature is stylized with a large, prominent "T" and "G".

Thomas L. Garthwaite, M.D.  
Director and Chief Medical Officer

TLG:amb

Attachments (2)

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors

BLCD3732.AMB  
01/11/05

**SUMMARY OF AGREEMENT**

1. **TYPE OF SERVICES:**

Dietary Services at King/Drew and H-UCLA.

2. **AGENCY ADDRESS AND CONTACT PERSON:**

Morrison Health Care, Inc.  
1727 Axenty Way  
Redondo Beach, CA 90278  
Attention: Edward M. Clark  
Telephone: (310) 798-4017

3. **TERM:**

The term of Amendments No. 3 to Agreement No. 70294 and No. 70295 is March 1, 2005 through August 31, 2005.

4. **FINANCIAL INFORMATION:**

Funds are available in the DHS Fiscal Year 2004-05 Adopted Budget and will be requested as a continuing appropriation in Fiscal Year 2005-06 Proposed Budget. The total maximum obligation for this extension for King/Drew is \$2,010,491 and H-UCLA is \$2,102,988, for a total maximum obligation of \$4,113,479.

5. **PERSON ACCOUNTABLE FOR PROGRAM MONITORING:**

Hospital Administration at each facility.

6. **GEOGRAPHIC AREA SERVED:**

2nd District

7. **APPROVALS:**

H-UCLA Medical Center: Tecla Mickoseff, CEO

King/Drew Medical Center: Elliot Cohen, Interim CEO

Contracts and Grants Division: Irene E. Riley, Director

County Counsel (approval as to form): Elizabeth Friedman, Senior Deputy County Counsel

EXHIBIT I

Contract No. 70294

DIETARY SERVICES AGREEMENT  
KING/DREW MEDICAL CENTER

AMENDMENT NO. 3

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day  
of \_\_\_\_\_, 2005,

by and between

COUNTY OF LOS ANGELES  
(hereafter "County"),

and

MORRISON HEALTH CARE, INC.  
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled  
"DIETARY SERVICES AGREEMENT", dated September 3, 1996, and  
further identified as County Agreement 70294, and extension  
letter dated August 20, 2003, and any Amendments thereto (all  
hereafter referred to as "Agreement"); and

WHEREAS, it is the intent of the parties to amend Agreement  
to extend its term and to make the changes described hereinafter;  
and

WHEREAS, Agreement provides that changes may be made in  
the form of a written amendment which is formally approved and  
executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall become effective March 1, 2005.

2. The term of this Agreement is hereby extended on a month-to-month basis, for a maximum of six months, from March 1, 2005 through August 31, 2005, unless sooner terminated by County.

3. That Schedule 3 be replaced with Schedule 4, attached hereto as reference.

4. Except for the changes set forth hereinabove, the wording of Agreement shall not be changed in any respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Chair and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Chair, Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS, Executive  
Officer of the Board of  
Supervisors of the County of  
Los Angeles

MORRISON HEALTH CARE, INC.  
Contractor

By *Edward V. [Signature]*

Title *Regional VP*

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM  
BY THE OFFICE OF THE COUNTY COUNSEL:

By: *[Signature]*  
Deputy

APPROVED AS TO CONTRACT  
ADMINISTRATION:

Department of Health Services

By: *Cara Druehl*  
for Irene E. Riley, Director  
Contract Administration

AMENDCD3733.AMB  
01/05/05

SCHEDULE 4

CONTRACTOR'S BUDGET AND COUNTY'S CHARGE SCHEDULE

Contractor's Six-Month Budget (March 1, 2005 through  
August 31, 2005) to Deliver 39,001 - 45,000 Meals Per  
Calendar Month - King/Drew Medical Center

Labor Costs	\$ 1,194,183
Raw Food Costs	\$ 411,019
Materials; Services and Supplies	\$ 114,000
Equipment Costs	\$ 7,770
Utilities	\$ 1,867
Management Fee and Administrative Costs	\$ 160,099
Sales Tax Liability	\$ 50,037
A. Contractor's Six Month Budget (March 1, 2005 - August 31, 2005):	\$ 1,938,975
B. Special Function Meals	\$ 42,000
Incidental Supplies	\$ 2,683
Tube Feedings	\$ 26,833
Total Six-Month Budget Extension	\$ 2,010,491



EXHIBIT I

Contract No. 70295

DIETARY SERVICES AGREEMENT  
HARBOR-UCLA MEDICAL CENTER

AMENDMENT NO. 3

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day  
of \_\_\_\_\_, 2005,

by and between

COUNTY OF LOS ANGELES  
(hereafter "County"),

and

MORRISON HEALTH CARE, INC.  
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled  
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to extend its term and to make the changes described hereinafter;  
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the form of a written amendment which is formally approved and  
executed by the parties.

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3. That Schedule 3 be replaced with Schedule 4, attached hereto as reference.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Chair and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Chair, Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS, Executive  
Officer of the Board of  
Supervisors of the County of  
Los Angeles

MORRISON HEALTH CARE, INC.  
Contractor

By Edward U. Webb  
Title Regional VP

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM  
BY THE OFFICE OF THE COUNTY COUNSEL:

By: [Signature]  
Senior Deputy County Counsel

APPROVED AS TO CONTRACT  
ADMINISTRATION:

Department of Health Services

By: Cara O'Neill  
for Irene E. Riley, Director  
Contract Administration

AMENDCD3734.AMB  
01/05/05

SCHEDULE 4

CONTRACTOR'S BUDGET AND COUNTY'S CHARGE SCHEDULE

Contractor's Six-Month Budget (March 1, 2005 through  
August 31, 2005) to Deliver 47,001 - 52,000 Meals per  
Calendar Month - H-UCLA Medical Center

Labor Costs	\$ 1,246,178
Raw Food Costs	\$ 453,717
Materials; Services and Supplies	\$ 141,615
Equipment Costs*	\$ 18,500
Utilities - Telephone	\$ 482
Management Fee and Administrative Costs	\$ 96,666
Sales Tax Liability	\$ 60,330
A. Contractor's Six Month Budget (March 1, 2005 - August 31, 2005):	\$ 2,017,488
B. Special Function Meals	\$ 32,500
Incidental Supplies	\$ 8,500
Tube Feedings	\$ 35,000
Linen	9,500
Total Six-Month Budget Extension	\$ 2,102,988

\* Equipment costs have increased by \$500.00 for this period due in part to an increase of the Computriton annual license agreement.